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Approved For Belgase 2901/15/22 GIMER PROCESS 1502900020001-2 Baltimore, Maryland Thursday, 5 October 1978

Thank you very much for having me with you. Thank you for your very kind words Steve, and I'm very grateful that you would honor me by saying that you thought I was trying to do the intelligence job for our country in a way that the people of the country would be proud of because I really do feel that is important and I don't think a day goes by that I don't also feel the pressure of making sure that I'm not failing to do the job the country needs to have done. Those are difficult, almost contradictory choices at times. What I would like to talk about a little bit tonight and I hope I will leave us some time for discussion and questions because I enjoy that much more than the lecture. I'd like to talk about what I think the role and purpose is of what we are trying to do in intelligence: what we need to do with it, what effect it has, and what the society needs to ensure on the one hand that we are going to be effective but on the other hand that we're doing only what we're supposed to do.

I think today that good intelligence is more important to our country than any time since the centralized intelligence function was organized in 1947. We were then, you recall, the dominant military power, we were totally independent economically; and we were certainly the major actor on the political scene. Today we are still, in my view, the preeminent military, economic, and political force in the world. But we, as almost any nation, must recognize that actions outside of our control today can

Approved For Pelease 2001/11/22: CIA-RDP80B01554R002900020001-2 have major impact upon us. I don't think I need belabor that with a group of people like this who have dealt so much in the international sphere, I'm sure, in your businesses and in your personal lives. But today with military might proliferating, with economic interdependence being the keyword, and with political activism and independence the characteristic of not only well established nations but many of the new ones, our role in the world is changing and is one that requires that we have information about what other countries are doing. Sometimes they do it deliberately to be inimical to us because they think that is in their best interests; sometimes they are just pursuing a selfish interest regardless of its impact on us or other countries of the world. In either event many nations do what they do on the world scene that impacts on us in a cloak of secrecy and we must find some way of protecting ourselves against actions that do have a bearing on us. Only if we are well informed can our decision makers make good decisions.

Today the leverage of good information, good intelligence, is much greater I believe than when we were so dominant in all these fields of military, economics, and politics. Today that leverage, I believe also, is more useful than it was in the past because the usefulness of military leverage has considerably declined in my view. Today we need good information about what other countries are doing if we're going to negotiate means of reducing tensions around the world by common agreement. How can we sign away the fate of this country if we cannot assure the public that we can verify the kinds of arrangements that we make to reduce tensions. Now in the best of all possible worlds, countries

Approved For Belease 2001/11/22: CIA-RDP80B01554R002900020001-2 would exchange this information and we wouldn't have to spy on each other. But I need not amplify on the fact that most of the nations of the world are not open societies, and we cannot count on the free flowing exchange of information. So our first role, our first mission in intelligence is collecting what we call foreign intelligence, information about what is going on in other countries. From it derives necessarily our second role, which is what we call counterintelligence, its the obverse. It's ensuring that other countries don't steal the secrets which we have and we must preserve. We are certainly, in my view, the most open society the world has ever known and yet we must keep our secrets, we cannot afford to develop expensive weapons systems, expensive intelligence collection systems and then disclose their characteristics. They can be compromised and all our efforts and money wasted all too easily. We cannot negotiate treaties if our hand is told in advance, as it was in this morning's Washington Post. So counterintelligence, our second function, is neutralizing, frustrating, defeating the efforts of others to penetrate our society and find the things which we have decided must be kept secret.

The third role that we perform is covert political action. Now covert political action is a difficult term, a difficult area, but it is the attempt to influence events in foreign countries without the motivating force being known, without it being identified that it was the United States that was trying to do this. This is not really an intelligence function. Intelligence is the gathering of information and its evaluation. But historically, since 1947, the government has

elected Approved For 120 Pase 2001/11/23: GIA-RDP80R01554R002900020001-2 authority in our government to conduct covert political action. One of the cardinal principals of our foriegn policy as a country is to do whatever we can to avoid military conflict while still preserving our national interests. Generally we try to influence events overtly through diplomacy, economic pressure, threats, negotiations, whatever it may be. But there really are times, in my view, when an attempt to influence overtly could be a dilution or a negation of our efforts if it were known that we were doing it. For example, we sometimes today are on the one hand negotiating with a terrorist group, and on the other hand infiltrating it, trying to undercut it while we are still ostensively working with it. Sometimes we are financing individuals or institutions: we are trying to defend democratic standards in their countries when they are up against tremendous pressures of totalitarianism or funds that are funneled in from the outside. Sometimes today we are using intermediaries to try to influence the decision makers in other countries in our direction, to support our policies. But if it were known that we were the motivating force behind that, it would be of much less value to that type of intermediary intercession on our behalf. In short, I believe there is within the spectrum of our tools of foreign policy a place, a limited place, for a covert political action capability. It can, of course, be preferable as a recourse to sending in the Marines if you got to that point where other things don't suffice.

What do we as intelligence professionals need in order to do these three roles of collecting foreign intelligence, protecting ourselves in counter; Approved For Palease 2001/11/1/22 such-RDP80B0155 tR002900020001fat we are authorized to do. Well first, I believe very sincerely we need the support and the understanding of the American people. No public institution can survive over time without that support in our democratic society. Now we had that support for many years strictly on faith, on the faith and understanding of the American people that there were some secret things that needed to be done. Unfortunately over the last 3-1/2--4 years that faith has been questioned. There were abuses of some of the privileges, there were allegations of abuses that didn't actually take place, but one way or another some of that faith has evaporated. I still believe from my talks around the country that the American public has a very firm understanding that they need and want a good intelligence capability. But at the same time, I think the public deserves to understand a little bit more of what we do, and why we do it, so that their faith and trust can rest in something more tangible. My presence with you tonight is part of the evidence of my personal commitment to being more open about those areas of our activities where we can be open.

Now the second thing that we need to do our job is almost a contradiction and that's the ability of this country to keep its secrets better. And if that sounds contradictory let me explain. Governments, no less than individuals need to have some secrets, especially in the field of intelligence, but there has been too much secrecy in our country. There are too many government documents that are classified one way or another. By making as much as possible available to the

public. Appreyed Egr 3529ase 2001/11/22s: GLA-RDP80B945545092800020001-2ve are reducing the corpus of remaining classified information and thereby protecting it better, garnering a greater sense of respect for it. Churchill. I believe, said when everything is classified, nothing is classified. We have got to move back to where people respect the classified label once more. But this means also that there must be within the country, I believe, a greater recognition of the legitimacy of secrets. Secrets are not moral or immoral, good or bad, they are a necessary corollary of living in the kind of world, the kind of society we live in today. But too often in recent years there has come to be a feeling that anybody favoring secrecy is automatically somebody trying to cover up wrongdoing. Whistle blowers have automatically become heroes, public servants who defend the secrets have automatically become suspect. Let me assure you that there are established procedures, not only for keeping secrets, but for complaining that secrets are being improperly kept. I have yet to find a whistle blower who tried to use the legitimate channels to bring to people's attention that there were improper secrets. Instead they go to the public, and I suspect they're more interested in fame and fortune than they are in reforming the system. Let me not overstate it, there are none of us who are either required, as I am, by law to help protect our secrets, they do it because they know its important to feel that the public should take us just on faith. They can't just be asked to accept our word that what we're doing in the way of preserving secrets is correct. There are real risks in secrecy and in the entire activity of intelligence for our country.

Approved For Pelease 2001/11/22: CIA-RDP80B01554P002900020001-2 First, there is the risk of the abuse of human rights; the Bill of Rights only applies to Americans. But nonetheless, our performance around the world in intelligence activities, if it systematically violates human rights, will very much lessen the importance of our example and we can't diminish that importance. Our influence in the world is still in large measure, I believe, on the example that we set. And beyond this, as we all recognize from the abuses and accusations of abuses in the past, in the intelligence function there is always a danger that the privacy of American citizens will be accidentally or intentionally violated--their basic rights will be infringed. We cannot ask you, the public, to accept us on faith. But what we have done, I believe, in our country over the last several years, is to erect out of the crucible of 3-1/2 years of intense public criticism of intelligence, a series of control mechanisms which we hope will be in balance and give assurance to the American public on the one hand that give us enough authority, enough capability to serve the American public in the way that it should be served by the intelligence function. What are these controls? Well there are four of them in nature: general guidelines, specific prohibitions, injunctions against actions, short of total prohibition, and oversight, overview procedures. Let me go through them very quickly.

There are two general guidelines which I've used and issued to our people. One, espionage is an extraordinary remedy. The clandestine means of gathering information is never done, in my view, if there's a chance, a good chance, that information could be found by open, overt

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We must carefully assess the risks of doing things clandestinely to be sure the benefits of the country are going to be commensurate. The second guideline is that actions which we take in secret must, in my view, be defensible in principle in public. Now we cannot go before the public and defend a particular clandestine or covert activity in a particular circumstance. It would almost be a contradiction of terms, of course, to disclose that you are going to spy on some nation in a certain way. But I do believe that the general classes of action which we undertake must be defensible before the American public in terms of the attitudes, standards, the policies of our country. And as I will come to in a bit, they must be defensible in greater detail before the appropriate committees of the Congress. Now the second category of controls are the prohibitions I mentioned. There are some activities such as assassinations, which are simply so repugnant to our national standards that we can outlaw them completely. Another example is acts that are equivalent to waging war. We in intelligence have no business conducting acts that are equivalent to war because the initiation, the conduct of war in our country is controlled by laws of Congress. Those are limited in number, that is, specific, total, flat prohibitions. The more difficult area of what I call injunction. There are a few of these clear-cut prohibition cases because what is suitable, permissible in one environment, one set of circumstances, may be quite different under another. What we will do in wartime is different than what we'll do in peacetime. What we will do with respect to a totalitarian country is different than what we'll do with respect to a democratic country. There must be then in the rules that govern intelligence activities some

flexibility. And find lease all of the government to know information and the right of the citizen to part with it. None of us would tolerate a search of our house without a warrant properly issued. In short, there is an injunction against search, but there is a mechanism to permit it under controlled circumstances. And that's what we're trying to establish in the Intelligence Community: Injunctions against the general case of doing certain things, a recognition that this is not what we would like to do, but there may be circumstances in which different levels of authority, according to the risks involved, maybe the President, sometimes the National Security Council, sometimes myself, sometimes my subordinates, who can authorize activities which are normally enjoined against.

Finally, there are the oversight procedures to check on this entire process of guidelines, prohibitions, and injunctions as well, of course, as the effectiveness. Are we doing the job? And these oversight procedures start with something called the Intelligence Oversight Board. Today is composed of former Senator Gore, former Governor Scranton, Tom Farmer, a contemporary of Steve's and mine at Oxford, a Washington lawyer. These three men are a board reporting only to the President of the United States and only empowered to look into the legality and the propriety of intelligence activites. And any member of the Intelligence Community, any whistle blower, who feels that something is being done wrong may communicate with them directly—not through me. Beyond that, over the last two years, we've established in the Congress a committee in each house dedicated to the oversight of intelligence functions.

Approved For Pelease 2001/11/22: CIA-RDP80B01554RD02900020001729 I'm happy to say to you that I believe the relationship here 0020001729 very well. They are cooperative, they are helpful to us, at the same time they are diligent in being overseers, checkers, investigators. Many in the Intelligence Community were skeptical about this when it happened. Most of them I think have come around to recognize there are real positive values for us in this oversight process by the Congress. Ultimate accountability is always a sobering thing. Most of you here face that accountability in a profit and loss sheet. You don't have that in government, you won't have that in intelligence. We are doing things that are risky, we're doing things that are very important and patriotic, it's easy to get carried away. But the knowledge that ultimately you're going to have to account, makes you be judicious; makes you recognize that as you make a decision, that you know you are willing and able to defend. The committees of Congress today are in the process of drawing up legislation for what they will call charters, charters that will establish certain guidelines, certain prohibitions, certain injunctions, and this oversight mechanism. Those are going to be the bedrock of the intelligence function of our country in the years ahead. Those charters will probably be enacted by the next Congress. I hope they will. They are important to us. I am enthusiastic about getting them into being. They give us, first of all, the foundation for legitimacy for what we do, the establishment of this panoply of directives will also give the intelligence officer on the street who represents you and me, day-to-day, hour-by-hour, who must make decisions on his own, a good set of guidelines, a good set of general understanding of what we

Approved For Pelease 2001/11/22: CIA-RDP80B0155 15002900020001-2 expect from him. All in all, we have to be careful that we find the right balance, that we don't have so much control that we have intelligence by timidity, that we don't have so many people overseeing that we are bound to have leaks. We're not there today but the relationships are evolving well. But I think it'll be a couple of years yet before I can come back and talk with you and say I'm confident that we are there, that we have found that right mix, enough control, enough oversight, but still the basic effectiveness that is needed for the interests of our country. I am confident we are pointed in the right direction, there are going to be interesting, difficult debates ahead both as we establish, over time, the relationship for the oversight boards and committees, and as we write these charters and enact them into law.

It is a very exciting time for intelligence in this country. We are, in my opinion, evolving a uniquely American model of intelligence. One that is in tune with the standards, the attitudes, the values of our country but one which if we do it right, will, in my opinion, continue our capability of being what I believe we are today—the best intelligence service in the world. Thank you.

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JOHN HOPKINS PRESIDENT'S CLUB QUESTIONS & ANSWERS

- Q: (Inaudible)
- Candidly, my problem is when intelligence gets close to domestic political issues (I was talking to Steve about his good friend, Sol Linowitz), I ended up testifying with Sol Linowitz about the Panama Canal. He about the value of the treaties, me about the alleged nefarious activities of Torrijos and the drug traffic and all these things. What we testified upon that day was in the newspapers a couple of days later. Some of my sources were endangered and I am sure you recognize that the source of intelligence may be a human being, it may be a satellite, it may be a signals listening post, it may be an airplane with a photographic capability. But I tell you. when you sit home at night and think that what you told somebody today may cost somebody his life tomorrow, you are cautious. Its a problem and I don't know the full answer to it when you get close to these domestic political issues. But I'll also say that when it comes to really serious intelligence, the committees of the Congress show great circumspection. It is so great because they haven't had some of this information before and when they receive it, and we try to limit this to our oversight committees as much as possible, they are sobered by it, by possessing it and recognizing the implications of leaking it. So I think we can handle this. Yesterday afternoon I sat in a Congressman's office, and very politely I said to him, "Sir, I am not going to tell you that information," and I do that over and over again and it is not easy. I took a beating in the press last spring because I would not disclose how we knew the Cubans had been involved in supporting the invasion of Shaba in Zaire, and we take it on the chin but the only recourse was to disclose my source and I cannot do that when a man's life is at stake.
- Q: How many people are on those Congressional committees?
- A: Eleven in the House and seventeen in the Senate and we are hoping for two things. First, we're hoping the Senate will reduce its size, and there is some indication they will, and the second is that over time I sincerely hope that they will come to a joint committee. The other big problem is the size of the staffs and that bothers me more. Talking about that, I was walked into one committee one day and there were 20 staff and three senators. I had four staff with me to support me. It was delicate and it had some domestic political overtones, so I said to the Senators, "Gentlemen, I'm asking my four staff members to leave the room because if this testimony appears in the papers tomorrow morning you are

Approved For Release 2001/11/22: CIA-RDP80B01551D002900020001-2 either going to accuse me personally of leaking it or you're going to do it." Eighteen of the staff left the room. I did that four days in a row, mind you, four different committees and every one of them I testified without support. They didn't get as good answers as they would have liked to have had.

- Q: (Inaudible)
- A: No, each time you're up there you run into the same problem. We try to limit the information about how we collect intelligence, how we do our job as opposed to the product, the information which many committees require. We try to limit the knowledge of how we do it to the committees of oversight. But when the Appropriations Committee Chairman looks you in the eye and says you don't get any money unless you tell me, he's got a little leverage there. But maybe we are disclosing information to the Appropriations and Intelligence committees, the Armed Services and Foreign Affairs Committees have jurisdiction over us also and there's a law we must tell them all of our covert political actions, all eight committees, four in each chamber. But its gradually atrophying., We tell them we're ready to tell you and they say don't bother today. So we're getting them down and it'll take time because Congressional perogatives do not change overnight, the chairmen don't give up their authority.
- Q: Admiral, what is the status now of any efforts to control disclosure by former employees of CIA?
- A: Its a very difficult issue. As you know, we have prosecuted Mr. Snepp because he did not fulfill the contract he signed with us. didn't prosecute him because he disclosed anything, and I won't answer the question because that court case is still in litigation, as to whether we didn't do that because he didn't disclose anything classified, or because we chose not to because we would have to disclose so much more classified information to prove it, you see what I mean. But being able to convict him on a civil charge of failing to fulfill a contract, and taking away the profits of his book, we think that's been a helpful inhibitor to others. Mr. Agee is still running around outside this country, last week in a book that thick, he named 300 of our employees, he is a most traitorous person. That's all I can say, again, because litigation is pending, but we're certainly debating it here, but we have very severe limitations on us as to what we can do. We always have the one in a free judicial society that we may have to disclose more than its worth to convict. That's a judgment you have to make in each case, but you also have a lack of law with real teeth in it to do that and its a difficult issue because none of us want to jeopardize the freedom of speech in this country.

- Q: De Apperoved Fior Peleased 2901/11/22 & CIA-RDP80B01554F002900020001-2 equivalent to British Official Secrets Act?
- A: No, I don't. I don't think that would be appropriate in this country or tolerated in this country. As you've probably been reading, the Official Secrets Act is under considerable pressure in Great Britian right now. At least the extreme versions in which, literally, if you disclosed how many picture books that were used in the foreign office last year, you could be prosecuted. I don't think that's the way to go but I think there should be some legal inhibitions on members of the Intelligence Community, people who join us and recognize they're dealing with fragile materials, from disclosing them during their service or afterwards. You have to consider that very carefully because it's a criminal offense to have done that and a newspaperman can be convicted for not disclosing in court that this criminal gave him the information and that gets us into a very big donnybrook. We're trying to see if there's a way legally to work something out there.
- Q: Admiral I was a peon in the military in World War II, but always felt that if my commanding officer had directed me do something that I would carry it out as ordered. We were in a very sensitive, very crucial, very valuable post. I suppose your home base superior is your Commander-in-Chief, but in the past few years the integrity of the CIA has been compromised by the Commander-in-Chief. You talk about this program of accountability. Will that give you a new superior officer, a new person to report to rather than the Commander-in-Chief. Do you think your position is being compromised?
- No its a very trenchant question and its a very appropriate one because to the extent that I am more and more beholden to the intelligence committees, there comes the question of do I have two masters and do I respond to them in lots of ways. And one of the issues that has to be resolved over time through practice and through the development of these charters, is how much will these committees try to manage the Intelligence Community as opposed to overseeing it. Last year they took one item out of my budget for \$12,000. I have a budget in the billions and they delved down in and said we don't want this one little thing down here. \$12,000! I mean, can you imagine all the effort it takes to do that. Now that's micromanagement and we're trying to wean them away from that. I spent the whole morning on the Hill today trying to get some micromanagement out of my budget for next year. Now it's a temptation for them to do that, it's a temptation for them after they get their appetite whetted to start telling what to do and how to do it. And if they want a study done or intelligence collected on something, they task me. I really can't respond to that--I work for the President. As far as the ethical issue, if I am asked to abuse my trust by the President of the United States I don't think there is any way you can organize legislative

Approved For Pelease 2001/11/22: CIA-RDP80B01554B002900020001-2 control against that. I think that has got to be the integrity of a man in my position. There is no way, when I have been asked by the Confirmation Committee of the Senate when I was up for confirmation, I was asked that question and I said, "Sir, if the President tells me to do something I believe is either improper or illegal, I will go back to him and tell him why I think he is wrong and argue with him. If I lose, I will either have to have been persuaded that he was right, or I will resign." They asked if I would come to them and I said, "No, I don't think I should work around my Commander-in-Chief. I'd rather resign." After I resign, you can call me, you have the option. That's another thing, but I'm not going to plan and use the intelligence committees as a way of avoiding my responsibilities of standing tall if I have to stand tall.

- Q: (Inaudible)
- If the trend toward leaks continues at the rate it has in the last year or two, we could become less effective. But what we're doing in openness is never talking about how we collect our information. That's where the leaks hurt. We can't go talk to the man on the street in some Communist country and say will you come to work for the CIA if he really thinks the New York Times is going to find out about it tomorrow. You just can't do it, its impossible. So when I say openness, I say controlled openness. I talk to the press, talk to you, my Deputy is authorized to do that, nobody else is my organization is authorized to do that without approval. We have a Public Affairs Office that deals as our intermediary with much more forthrightness with the press today, but under very strict control. We have a man down there who knows what he is talking about and knows how far to go and where not to go. I also believe we can talk about the product of intelligence which is a primary form of openness. If we give a report out to the public that the Soviet Union's prospects for producing oil is going down, that they're not going to be net energy exporters in 1980; if we did that knowing that we weren't disclosing how we got that information, it's valuable to the public, it's started a genuine debate in this country on an important topic and I think we have contributed to it and we're benefitting the American public and why shouldn't they know something that I can release without hurting our ability. That's the long way around your question. The answer today is no, but we've got to be able to keep reassuring more intelligence services with which we cooperate, people we work with overseas, that we're going to be able to keep their relationships private.
- Q: Admiral, looking at your speech and the four constraints that you mentioned, the third or fourth if I remember correctly you had under the heading injunctions. This you illustrated by the fact that nobody wants his house searched but it can be if you get a search warrant. Now I understood you to say, what you said in your talk was, that these were things that your agents could not do but

Approved For Pélease 2001/11/22: CIA-RDP80B01554 00290020001-2 you could give them—you or the President—could give them the right to do. I have two questions with respect to that. I wonder if you would illustrate what you are talking about, in real life, give us an example of the kind of thing a CIA agent is not supposed to do, to keep them upright. And secondly, who sets the parameter of the classification of injunctions and how can that relate to the spectrum of things which are absolutely prohibited such as assassinations. In that regard, if you set the parameters, could you at a later time perhaps bring in something that is prohibited in the injunction.

Well, first some of these prohibitions, and some of these injunctions will be established by law in the charters. One of the delicate things we have to work out is, if they get too many of what I think should be injunctions into prohibitions, we could have our hands tied in circumstances. But we don't want them tied or shouldn't have them tied. Secondly, to give you an example: if we were going to put a telephone tap on the the office of the prime minister of a friendly country, I don't want some operative in the field to decide to do that. And I will establish concrete rules in my organization at what level that type of thing can be done. Because that would be terrible to our foreign policy if they found out. We recruit agents all around the world, we find people whom we think will provide us information--ours is the job of espionage. Recruiting the private secretary to the prime minister is a heck of a lot different than recruiting a bum in a bar who happens to work in the nuclear power plant, or something like that. So there are very delicate nuances and as I say, some are so important that you go to the President; some my deputy or his deputy can handle.

Q: (Inaudible)

A: That's a very difficult question to answer but I have not found them in competition. There are individuals on it who we think are sometimes stubborn because they come to a conclusion we don't like and they want to be right. But generally I have found them to be capable, dedicated individuals and I think they have carried out their job very well thus far and I don't have any complaints. I would like to see fewer of them because I'm worried about the security. The House committee is only 20 some staff while the Senate has 50 some staff. That's just more than are needed and I think they begin to generate work.



